

(Washington, DC)— Today the House Financial Services Committee passed an amendment offered by Congresswoman Gwen Moore, which would increase the limited number of opportunities that low-income families receiving Section 8 tenant-based vouchers have to increase their credit. The amendment to H.R. 5443, the Section 8 Voucher Reform Act, would give Public Housing Authorities (PHA) the option of reporting a tenant's timely rent payments, upon request, to the credit reporting agencies in order to boost the tenant's credit rating and therefore increase likelihood of qualifying for future home ownership.

"This is a win-win-win situation to help working families leave Section 8 and purchase their own home," Congresswoman Moore said. "This amendment will enable responsible tenants to parlay years of responsible and punctual rent payment into a line of credit."

Additionally, in order to make it easier for the credit reporting agencies to consider this information, the amendment would require the Department of Housing and Urban Development (HUD) to work with the reporting agencies to establish a format under which the Public Housing Authorities will submit the consumer credit information.

Though Americans today have more access to credit than ever before, there are several populations, including minorities, recent immigrants, and the young, that disproportionately lack a credit history. These individuals who have "thin" credit files may miss out on opportunities to purchase a home or a car simply because the type of bills they pay every month, such as rent or utility payments, are not reported to credit reporting agencies. The two million families that take advantage of the Section 8 Program can easily increase their credit scores if the national credit reporting agencies consider their timely rent payments.

The Financial Services Committee, on which Congresswoman Moore serves, voted to add the amendment to H.R. 5443, the Section 8 Voucher Reform Act, earlier today. The bill will be considered by the full House later this year.

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